



News Release

Media Relations Office

Washington, D.C.

Tel. 202.622.4000

For Release: 3/14/02

Release No: IR-2002-34

FILING EXTENSIONS READILY AVAILABLE BY PHONE OR COMPUTER

WASHINGTON – People who need more time to complete their forms will find it easy to extend their filing deadline – they don't need an excuse, or even a stamp. Automatic four-month extensions are available by phone or by computer, as well as through the paper Form 4868. The IRS expects to receive more than 8.2 million extension requests, which must be made by the normal filing deadline.

An extension of time to file does not give more time to pay any taxes owed. A person may choose to pay any projected balance due when requesting an extension, and may make this payment electronically. Even without a payment, one can still get the extension.

Whether requesting an extension electronically or on paper, the taxpayer must estimate the total tax liability based on the information available. If the IRS later finds this estimate to be unreasonable, the extension will be null and void. The taxpayer will still get credit for any payments made with the extension request.

The IRS opened its toll-free phone line for extensions – 1-888-796-1074 – on March 1, one month earlier than last year. The IRS handled about 183,000 extensions through this phone system in its first year and expects more than 200,000 this year.

Callers may use Form 4868, "Application for Automatic Extension of Time to File U.S. Individual Income Tax Return," as a worksheet to prepare for the call, figuring the 2001 tax and total payments made. They get a confirmation number to signify that the extension request has been accepted. Users should put this confirmation number on Form 4868 and keep it for their records. They do not send the form to the IRS.

Taxpayers may also e-file an extension request using tax preparation software on their own computer or by going to a tax preparer. Those filing by computer get an acknowledgment that the IRS has received their request.

Taxpayers asking for extensions by phone or computer can choose to pay any expected balance due by authorizing an electronic funds withdrawal from a checking or savings account. They will need the appropriate bank routing and account numbers for that account. They must also have the adjusted gross income (AGI) from their 2000 tax return to verify their identity.

(more)

Another way to get a filing extension is to charge an extension-related payment to an American Express, Discover Card or MasterCard account. The authorized processors take payments through their phone and Web site systems. There is no IRS fee for credit card payments, but the processors charge a convenience fee. Form 4868 has details on making credit card payments.

Taxpayers may also charge the taxes due for 2001, estimated taxes for 2002, or installment agreement payments for 1998 or later, but such charges do not give an extension of time to file.

Taxpayers who live outside the U.S. and Puerto Rico and whose main place of work is outside the U.S. and Puerto Rico already have a filing extension to June 15. This also applies to those in military service outside the country. Taxpayers with this June deadline can file a paper Form 4868 or make an extension-related credit card payment by June 15 to get an additional two months to file. They cannot request this extension by phone or computer. Merely being outside the U.S. on the April deadline does not give a person an extension to June 15.

Interest charges apply to any tax not paid by the regular deadline. The current rate is six percent a year, compounded daily, and is subject to change each calendar quarter. Taxpayers who request an extension may also be liable for a late payment penalty of 0.5 percent per month if the total tax paid by the regular deadline is less than 90 percent of the actual 2001 tax.

One deadline that taxpayers cannot extend is the date to claim a refund for Tax Year 1998 if they have not yet filed for that year. Unless they had a filing extension in 1999, they must mail such late returns by the April 2002 deadline.

For most of the country, this year's deadline is April 15. But for taxpayers in Maine, Massachusetts, Michigan, Rhode Island and the area of New York State north of Westchester and Rockland Counties, the deadline is April 16. This is because April 15 is Patriots' Day, a legal holiday in Maine and in Massachusetts, the site of the IRS center where taxpayers in the other three locations send their returns. This extra day applies for requesting extensions, including requests by phone or computer, as well as for filing returns and making payments.

Form 4868 is available from the IRS Web site at www.irs.gov or by calling (toll-free) 1-800-TAX-FORM (1-800-829-3676). Those with a fax machine may use the IRS TaxFax by calling 703-368-9694 and request Item #13141 by return fax. Form 4868 is also available at local IRS offices and many public libraries. Taxpayers needing this or any other federal tax form should act soon to be sure they have the item in time.

2002 FILING SEASON STATISTICS

Cumulative through the week ending 3/9/01 and 3/8/02

	<u>2001</u>	<u>2002</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	52,269,000	53,802,000	2.9
Total Processed	43,621,000	45,851,000	5.1
E-filing Receipts:			
TOTAL	27,479,000	30,857,000	12.3
TeleFile (phone)	3,325,000	3,083,000	- 7.3
Computer	24,154,000	27,774,000	15.0
Tax Professionals	20,309,000	22,418,000	10.4
Self-prepared	3,845,000	5,356,000	39.3
Refunds Certified by the Martinsburg Computing Center:			
Number	40,101,000	41,833,000	4.3
Amount of principal	\$73.113 billion	\$85.284 billion	16.6
Average refund	\$1,823	\$2,039	11.8
Direct Deposit Refunds:			
Number	22,376,000	25,453,000	13.7
Amount	\$49.514 billion	\$61.518 billion	24.2
Average	\$2,213	\$2,417	9.2